

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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DOC #: _____
DATE FILED: 12/21/06

FRED P. CAMPO, Individually, and On
Behalf of All Others Similarly Situated,

Plaintiff,

vs.

SEARS HOLDINGS CORPORATION, et al.,

Defendants.

ELLEN DORSCH, et al., On Behalf of
Themselves and All Others Similarly Situated,

Plaintiffs,

vs.

EDWARD S. LAMPERT, et al.,

Defendants.

x : Civil Action No. 1:06-cv-04053-JES

CLASS ACTION

Civil Action No. 1:06-cv-05781-UA

CLASS ACTION

PLAINTIFFS' JOINT STIPULATION AND [PROPOSED] ORDER REGARDING
CONSOLIDATION, APPOINTMENT OF LEAD PLAINTIFFS AND APPROVAL OF
SELECTION OF LEAD COUNSEL

WHEREAS, two-related class action complaints, *Fred P. Campo vs. Sears Holdings Corporation, et al.*, Civil Action No. 1:06-cv-04053-JES (filed May 26, 2006) and *Ellen Dorsch vs. Edward S. Lampert, et al.*, Civil Action No. 1:06-cv-05781-JES (filed July 31, 2006) (the "Actions"), have been filed with the Court against defendants Sears Holdings Corporation and Edward S. Lampert (collectively "Defendants"), alleging violations of federal securities laws;

WHEREAS, pursuant to 15 U.S.C. §78u-4 (a)(3)(A)(i), on June 2, 2006, less than 20 days after filing the first of the related complaints, counsel for plaintiff Fred P. Campo caused a notice to be published in *Investor's Business Daily*, a national, business-oriented newspaper, advising members of the purported class of, *inter alia*, (1) the pendency of the action, (2) the claims asserted therein, (3) the purported class period, and (4) that, not later than 60 days after the date on which the notice was published, any member of the purported class had the right to move the Court to serve as lead plaintiff of the Class;

WHEREAS, the Private Securities Litigation Reform Act of 1995 ("PSLRA"), 15 U.S.C. §78u-4(a)(3)(B)(iii), provides, *inter alia*, that the most-adequate plaintiff to serve as lead plaintiff is the person or group that has either filed a complaint or made a motion in response to a notice and has the largest financial interest in the relief sought by the Class;

WHEREAS, on August 1, 2006, a motion was made by Plumbers and Pipefitters National Pension Fund ("Plumbers and Pipefitters Fund") seeking consolidation of the above-captioned actions, its appointment as Lead Plaintiff and approval of its selection of the law firm of Lerach Coughlin Stoia Geller Rudman & Robbins LLP ("Lerach Coughlin") as Lead Counsel,

WHEREAS, on August 1, 2006, a motion was also made by Fred P. Campo ("Campo") and Leonard Cope ("Cope") seeking consolidation of the above-captioned actions, their appointment as Lead Plaintiffs and approval of their selection of the law firm of Gardy & Notis, LLP ("Gardy Notis") as Lead Counsel;

WHEREAS, on August 1, 2006, a motion was also made by Mississippi Public Employees' Retirement System ("Mississippi PERS") seeking consolidation of the above-captioned actions, its appointment as Lead Plaintiff and approval of its selection of the law firm of Grant & Eisenhofer P.A. ("Grant Eisenhofer") as Lead Counsel;

WHEREAS, on August 1, 2006, a motion was also made by Ellen and William Dorsch ("Dorsch") seeking consolidation of the above-captioned actions, their appointment as Lead Plaintiffs and approval of their selection of the law firm of Wolf Haldenstein Adler Freeman & Herz LLP ("Wolf Haldenstein") as Lead Counsel;

WHEREAS, on August 18, 2006, Ellen and William Dorsch withdrew their motion and Ellen Dorsch withdrew from the litigation;

WHEREAS, Rule 42(a) of the Federal Rules of Civil Procedure provides that a court may order all actions consolidated if they involve "common issues of law or fact." Fed. R. Civ. P. 42(a). The related actions involve common legal and factual issues and name defendants in common; thus, efficiency and consistency will result from their consolidation, as held by *Johnson v. Celotex Corp.*, 899 F. 2d 1281, 1284 (2d Cir. 1990); *see also Ferrari v. Impath, Inc.*, No. 03 Civ. 5667 (DAB), 2004 U.S. Dist. LEXIS 13898, at *2 (S.D.N.Y. July 20, 2004) (holding that "considerations of judicial economy favor consolidation");

WHEREAS, 15 U.S.C. §78u-4(a)(3)(B) provides, *inter alia*, that as soon as practicable after the decision on consolidation is rendered, the court shall appoint the most adequate plaintiff as lead plaintiff for the consolidated actions;

WHEREAS, Plumbers and Pipefitters Fund, Campo and Mississippi PERS (collectively referred to as the "Sears Investors Group") have reviewed the competing motions and believe it is in

the best interests of the Class to jointly litigate this action as co-Lead Plaintiffs and for their choice of counsel, the law firms of Lerach Coughlin, Gardy Notis and Grant Eisenhofer, to serve as co-Lead Counsel; and

WHEREAS, Lead Counsel will ensure that there will be no duplication of efforts on the part of plaintiff's counsel;

IT IS HEREBY STIPULATED and AGREED, by and between the Sears Investors Group, through their undersigned attorneys, and subject to the Court's approval, as follows:

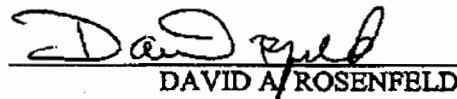
1. The Actions are hereby consolidated for all purposes pursuant to Rule 42(a) of the Federal Rules of Civil Procedure and shall be referred to herein as the "Consolidated Action."

2. The caption of the Consolidated Action shall be "*In re Sears Holdings Corporation Securities Litigation, 06-cv-04053-JES.*" Any other action now pending or hereafter filed in this District as a class action on behalf of sellers of the securities of Sears Holdings Corporation, which arises out of the same facts as alleged in the Consolidated Action, shall be consolidated for all purposes as soon as it is brought to the Court's attention; and

3. The members of the Sears Investors Group are hereby appointed Lead Plaintiffs for the Class and their choice of counsel, the law firms of Lerach Coughlin, Gardy Notis and Grant Eisenhofer, are hereby approved as Lead Counsel.

DATED: December 15, 2006

LERACH COUGHLIN STOIA GELLER
RUDMAN & ROBBINS LLP

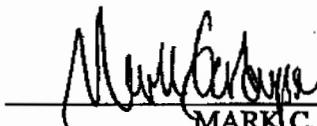

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Counsel for Plumbers and Pipefitters Fund

DATED: December 15, 2006

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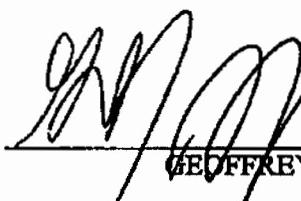
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DATED: December 15, 2006

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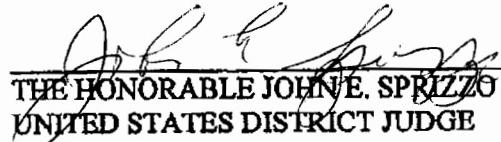
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Counsel for Mississippi PERS

IT IS SO ORDERED.

DATED:

12-19-06


THE HONORABLE JOHN E. SPRIZZO
UNITED STATES DISTRICT JUDGE

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on December 15, 2006 copies of foregoing Plaintiffs' Joint Stipulation and [Proposed] Order Regarding Consolidation, Appointment of Lead Plaintiffs and Approval of Selection of Lead Counsel was submitted to the United States District Court, Southern District of New York, Office of the Clerk of Court, via email in accordance with the local rules and ECF guidelines, and was served upon the following counsel of record as follows:

Via First Class Mail, postage prepaid:

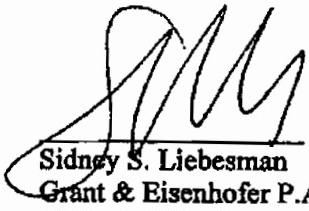
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